

**STATE OF MISSOURI  
DEBT**

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The limitations on State debts and bond issues are contained in the Constitution of Missouri, Article III, Section 37. This section restricts the general assembly from contracting or authorizing the contracting of any liability of the State or the issuing of bonds therefore, except:

1. To refund outstanding bonds, the refunding bonds must have a maturity date of not more than twenty-five years from the date of issue.
2. Upon the recommendation of the governor for a temporary liability incurred by an unforeseen emergency or casual deficiency in revenues for an amount not to exceed one million dollars for any one year and to be paid in five years or less.
3. When the liability exceeds one million dollars, the general assembly as on constitutional amendments, or the people by the initiative, may submit a measure containing the amount, purpose and terms of the liability and if the measure is approved by a majority of those voting the liability may be incurred.

Computation of Legal Debt Margin  
June 30, 2003  
(In Thousands of Dollars)

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General Obligation Bonds Authorized	\$ 1,775,000
Unforeseen Emergency or Casual Deficiency	1,000
Less General Obligation Bonds Issued	<u>1,439,494</u>
Legal Debt Margin	<u><u>\$ 336,506</u></u>